Impact of Fragmented Channel Experiences

Businesses exist to serve customers and, ultimately, everything a business does is geared toward making money from customers in return for goods and services. Any business activity generates events that affect a customer's experience of receiving and using those goods and services.

A telco is in the business of combining the physical sources of experience events (such as services, networks, devices, account acquisition, charging systems, billing, provisioning, retail experience and service assurance activities) into a seamless, consistent, continuous customer experience. Telco customer experience includes devices, products and services, and requires continuous support of all three dimensions – markedly different from other industries, which typically focus on any one of these three dimensions. If an element or activity goes wrong and starts to obtrude, the customer experience breaks down, interrupting the perception of what is happening right now for the customer.

Tomorrow's market winners should be able to deliver an experience that is cross-channel by design, allowing customers to search, buy and serve seamlessly across multiple channels and touch points, and that is able to deliver products and services that are not only highly relevant to the individual customer, but also timely in nature. The success of a company in delivering that experience depends on their ability to collaborate and align their business processes with multiple enterprises, from content providers to supply-chain partners to selling partners.

Using the retail channel as an example, customers today are highly influenced by what Apple provides in its store and are expecting an Apple-like retail experience from their service providers. This is not an easy bridge to cross for service providers, which, by nature, have sometimes been reactive and not very customer-friendly. However, many service providers have taken up this challenge and are in the process of trying to create a superior retail experience to match Apple's brilliance.

Operators today are dealing with customers who are demanding and extremely tech-savvy, and who require an unfragmented cross-channel service and commerce experience. They demand services that are always-on and accessible from a range of touch points, including smartphones, tablets, retail kiosks and social media. Social media plays a critical role, as consumers might start their research for any product on social websites and consider their friends' suggestions on Facebook or Twitter, compare product or services online, research further on blogs such as Yelp, etc., before actually making buying decisions in the store. Customers can also decide to touch and feel the product in a retail store, but ultimately decide to buy it from the comfort of their home via a tablet or other device.

The complex tapestry of the customer's decision-making process is non-linear and traverses across multiple channels. It becomes critical for operators to align these multiple channels so that they provide a consistent and personalized experience to the customer. System engagement with the end customer needs to be uniform and delineate across channels and different mobile devices, as well as different touchpoints, including in-store, catalogs, website, social media, etc.

However, a unified cross-channel customer experience does not end at mobilizing the customer's purchase. A holistic customer experience will be incomplete if it does not encapsulate service management and care aspects. We all know calls made to call centers by irate customers typically have a negative connotation for customer experience, but they also have major cost implications for operators.
In many countries, service providers treat inquiry or complaint calls from customers as upsell opportunities. Agents are taught to use that opportunity to try to sell services, rather than focusing on resolving customer problems as soon as possible. This approach creates a more frustrated and dissatisfied customer. What is needed today is more real-time proactive approach to issue management and service management. Though Apple is the poster child of using social media to harvest information and resolve issues without having to call customer service, we see major operators taking similar steps with mixed results.

**Figure 1** from Heavy Reading’s survey shows the importance that service providers are paying to social media in order to utilize it for care-related activities.

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**Service providers can also provide applications that will help subscribers manage their own services without having to call customer service.** Giving customers the ability to manage their services online or through a mobile application will help subscribers turn on and off roaming and VAS services without having to call customer service and wait for call-center agents to respond. Even the most personalized offers can appear just like news notifications from the CNN app, and if subscribers decide to select any of the provided offers the system should be able to seamlessly transition to self-service channels that will guide the customer to buy that service without having to call any customer service agent.

Sadly, most service providers have grossly neglected and underinvested in these pivotal areas of customer experience. Heavy Reading’s research clearly shows that for most service providers, interactions aren’t coordinated across channels, leading to customers repeating themselves as they move between channels. In our survey of 60 global service providers, more than 70 percent of wireless operators admitted they do not remember customer information from one touch point to another, and an overwhelming 82 percent of consumers reported they had to repeat their information in a multi-touch buying process. In a recent benchmark...
study, we see service providers lagging far behind their counterparts in B2B and the software and IT industry when it comes to automated cross-channel handling. The silver lining, however, is that most of the service providers we have interviewed understand the importance of effectively managing the cross-channel customer experience and are mostly looking to invest in this aspect in the next 12-18 months.

![Figure 2: Status of Automated Cross-Channel Handling](image)

When every service provider has similar networks and services, they can only separate themselves from the pack based on how well they can provide a superior experience for their customers. Providing an intuitive, personalized cross-channel customer experience can truly act as a major differentiator for operators. Operators that can smartly manage the cross-channel experience can be more efficient, more proactive and ultimately more innovative than its competitors. The operator that intelligently manages the customer experience can better anticipate their requirements, improve responsiveness, provide a more personalized level of service and reap the benefits in lower operational costs, increased customer loyalty and higher profitability.
Bridging the Cross-Channel Chasm

Today the interaction of a tech-savvy customer is complex, convoluted and non-linear, traversing multiple different channels and touchpoints. To adroitly interpret customer preference and provide holistic customer experience, operators are left with no choice but to stitch together customer data and more importantly customer interaction data spread across different channels. Today most operators’ channels operate in siloes both organizationally and from a systems standpoint. Therefore it fails to project homogenous single-entity brand awareness, up-to-date information and a unified look and feel, which disappoints customers.

Communications service providers, including wireless/wireline, cable and satellite providers, all acknowledge that they need to understand their customers’ individual experiences in real time and on a continuous basis as they interact with their organizations both on and off-net. This puts telcos in the best position to manage all the moving parts that can affect the customer experience, including the network, services, subscriber devices and contact center interactions.

Key steps that we believe operators should take in unifying their cross-channel strategy in order to personalize the customer experience are shown in Figure 3.

Figure 3: Key Steps for Operators to Unify Cross-Channel Strategy

Today operators’ goals should not be restricted to just creating loyal customers. They need to aspire to go beyond that and create active advocates by creating a more personalized relationship with their subscribers that are context-driven in nature. In today’s social media-aware age, consumers have the power to make and break a brand. Operators thus need to build an emotionally weighted relationship with each customer.
Not so long ago, when these social channels did not exist, a customer of a service or brand could communicate their positive or negative experience via word of mouth to an average of seven people; in today's social media age, the same customer can reach out to thousands of people in a matter of moments. The more positive that relationship, the more trusted the telco becomes and the more successful the telco is likely to be at keeping the customer's business, selling the customer further services over time and encouraging the customer to promote the telco and its products to friends and associates.

Bridging the cross-channel siloes that exist today to create a combination of unified touchpoints that together create a seamless customer experience should be a critical step in their quest to deliver on a superior customer experience. Unifying cross-channel customer experience is an evolutionary process. Operators need to strategically embark on such a unifying effort with adequate planning.

Consumers today have never had more channel options. They continue to expect more seamless interactions that build brand experiences and boost loyalty and retention. So it becomes a necessity for service providers to offer a robust cross-channel experience that delivers against customer expectations. Every touchpoint must enrich the shopper's experience, and every interaction must be viewed as pivotal in the customer's purchasing decision.
The Cross-Channel Customer Experience Era

The epicenter of a holistic customer experience strategy is the intelligent and insightful integration of a variety of customer-related data sources. Unified cross-channel customer experience strategy has the potential to inject efficiency and personalization to both commerce and customer-care initiatives. In a world where more and more customers interact and talk about their experiences and issues online, online brand management has become big business.

Operators that ignore what customers say about them in unstructured environments risk swift and widespread brand damage. Making sense of structured and unstructured data to understand the mood, preference and transaction pattern of customers across different channels in realtime is therefore critical. Operators today have no choice but to harness structured and unstructured data, convert that into actionable insight and use that insight strategically to serve their customers and ultimately convert them into brand advocates, resulting in an increased Net Promoter Score (NPS).

NPS has been gaining traction for measuring brand loyalty and advocacy among service providers. NPS is used to determine how customers feel about the services they are receiving from a brand in a bid to turn potential detractors into active promoters and brand advocates. From an industry benchmark standpoint, the NPS ranking of the communications industry is much lower than other industry verticals, which clearly indicates that service providers have a lot of work to do in order to convert their customers into brand advocates.

NPS is becoming an important metric for measuring customer experience by most service providers, and many CMOs are being measured internally with respect to their organization’s NPS score. Though customer satisfaction, first contact resolution and brand awareness continue to be critical KPIs used by service providers to measure customer satisfaction, they are also looking at channel transaction value, channel gross margin, channel sales conversion, customer channel shopping frequency, etc., as crucial KPIs for measuring cross-channel customer experience. Advanced service providers are focusing on channel integration as a key driver for customer satisfaction, and their strategy extends to all aspects of commerce, care and brand-building initiatives.

Key steps that operators need to take to provide a unified cross-channel customer experience by harnessing structured and unstructured data include:

**Real-time collection of event data:** This has a bearing on every aspect of the customer experience. Such data must be gathered from multiple sources, such as previous brand interactions and touchpoints such as retail and e-commerce, call-center data, interactive voice response, mobile devices and even social networks, because customer experience is multi-faceted and the sum of myriad factors. Given the volume of factors that shape customer experience and their buying behavior - reading and analyzing blogs, comparing pricing information, searching on different channels, eliciting feedback from friends via social networks, etc. - the overall data set is bound to be extremely large.

**Model and analyze:** These must be done on a per-subscriber basis, finding correlations and patterns in collected data that will help service providers recognize and understand their customers and anticipate their needs, provide personalized offerings and information, guide their buying and even their care process, reduce effort duplication by providing degree of recognition and help in
rewarding them. This intelligence can be used to measure the impact of events on customer experience; identify opportunities to enhance the experience and drive incremental ARPU/AMPU; and identify threats to the experience that are likely to create a reason to churn. Since experience has an immediate emotional impact, data must be analyzed rapidly (preferably in near-real time) to give operators the best opportunity to anticipate, control and respond to it.

**Intelligence-driven interactive action:** The ability to drive personalized cross-channel unified decisions using intelligence and automatically trigger decision-making processes to control and respond to the customer experience is critical. An effective unified cross-channel strategy can help service providers holistically track customer activity across all channels, creating a single view of the customer. The customer's interaction profile is an aggregate of all purchases and service transactions made with that service provider, regardless of the number of channels used. This will help service providers run personalized offerings or promotions to customers, based on their preferences that may have been demonstrated in other channels. Beyond just personalized offers, this is a personalized journey. This is currently done by handful of Tier 1 telcos for their B2B customers, providing each enterprise with a different kind of a screen and personalized look and feel.

Service providers are now extending their vision and looking to apply those personalization principles to specific customer segments in real time and images, offers, etc., are tailored based on customer context, choices, transaction patterns, etc. The customer should be able to begin a transaction on one channel and continue or complete it via another. A good example would be: The shopping cart that the customer filled while researching a particular device online can be pulled up at the store at the customer service desk or a self-service kiosk, so that the order can be completed there. A catalog purchase of a device that has yet to ship can be modified online or at the store. The key objective here is for service providers to create an intuitive, personalized environment in which the consumer can interact seamlessly with one brand, in contrast to multiple siloed systems and processes, which can create a fragmented brand experience.
Cross-Channel Customer Experience Strategy

Today's customers are demanding and seeking a consistent experience across various channels from the beginning of their research. The ability of service providers to service a customer smoothly and efficiently across various channels during their buying and service lifecycle, irrespective of the handoffs required, is a key criterion for satisfying today's customer. It is also critical to note that holistic customer experience initiatives do not end when a transaction is completed.

Customer experience has many dimensions and can be enriched with more layers of customer information. There is clear market demand for solutions that absorb subscriber information, deliver tactical analysis and knowledge about the various interactions based on business rules and allow information sharing so that channel information is synchronized and channels are able to learn from each other to improve customer loyalty, increase sales and improve operational efficiency.

An effective unified cross-channel customer experience strategy should not be restricted to commercial aspects such as marketing, guided selling buying, etc. It also needs to foster customer-care initiatives, which will help service providers to solve care issues cost-effectively and, if done efficiently, can reduce call-center costs by automation and call-deflection to less expensive channels.

Some of the key building blocks of a next-generation unified cross-channel customer experience solution are listed below:

**Channel Unification:** Connecting every transaction to the brand should be the mantra of every unified cross-channel strategy. Customer information, interaction behavior, marketing initiatives, etc., are all spread across different channels. It is critical to absorb and monitor all these channels and intercept and understand their behavior across social media platforms. This channel unification mechanism needs a unified orchestration layer that interacts across different channels to tie together subscriber-related information to deliver analysis and knowledge of customer behavior and interaction based on centralized business rules.

A unified channel strategy should be able to provide a complete, consistent product and service information across channels and make it easy for customers to easily access it. The unification of inventory information and information from point-of-sale and store inventory solutions is also critical to provide real-time stock availability across all channels. A Unified channel strategy should also be able to holistically track customer activity across all channels, providing a single view of the customer. The customer's buying profile is an aggregate of all purchases made with that retailer, regardless of which channels the customer used.

**Unified Data Management:** Customer-related data is spread across different BSS/OSS systems, networks, channels, social networks, etc. Creating an up-to-date, accurate customer profile requires a unified data management strategy that rationalizes data, removes duplication of data across multiple systems and keeps customer data current by synchronizing and updating it in real time. This customer data can be enriched with data from external sources to deepen understanding of customers and utilize customer data across all channels and systems.

**Proactive Notification:** Customers today want service providers to be proactive in both commerce and care initiatives. They are demanding prior and proactive notification of promotions, order and shipment status, potential disruption of service, service delivery status, etc. For example, if a customer is comparing prices
for a particular device online, it will be beneficial for the service provider to proactively notify that customer when that device is up for sale and the channel through which it is available. The service provider can also give its customer the opportunity to reserve that device in advance by providing their credit card information. This enables the service provider to not only please its customer, but also create a revenue pipeline for future sales.

**Contextual Insight:** Contextual intelligence is the ability to understand the uniqueness of customers, their circumstance, behaviors and preferences and convert that understanding into an opportunity for service providers to stay competitive. Advanced analytics are critical here, to identify the context of these touch points and utilize historical and real-time data to predict customer behavior and determine where and when action should take place. Advanced analytics enable contextual intelligence in telecom, helping to navigate copious volumes of data to get a deeper, contextual profile of customers to understand their preferences, channel behavior and usage patterns and predict future behavior patterns.

![Figure 4: Building Blocks of Unified Cross-Channel Customer Experience Solution](image-url)
Preventive Care: A holistic customer experience depends on having a preemptive and automated approach to issue management and giving power to subscribers so that they can control and manage their own services without having to call customer service. It is critical today to have assisted flows, guided answers and virtual assistance online and on mobile devices. This can deflect a lot of calls, reduce cost and improve the service experience by being right at the subscriber’s fingertips. Deflecting calls to automated, less-expensive channels, providing contextual information to subscribers to resolve their problems and preventively solving subscriber issues before it impacts their service experience will provide operators with multi-dimensional benefits. This will help them enhance customer experience, reduce average call handling time and ease support costs.

Active Knowledgebase: Understanding customers (and their choices, preferences, location, etc.) relies on maintaining an active repository of data that is constantly enriched to keep it current. This library of information is critical to create a detailed view of subscribers based on which personalized offers, promotion, etc., can be provided in order to deliver a holistic service experience. An active knowledgebase of issues and resolutions that is constantly enriched and contextualized will help empower call-center agents to resolve calls more swiftly. This could lead to recommendations and future follow-ups as a next best action for the service provider. Investing in social knowledge and harvesting support information to enrich information beyond just internal knowledge will also be a critical step toward maintaining an active knowledge management strategy.
Analysis: Oracle's Cross-Channel Solution

One vendor that has made a major investment in this area is Oracle. Its vision of unified cross-channel customer experience spans both commerce and care. Oracle visualizes the customer experience lifecycle as two interconnected circles representing the customer’s buying and owning cycles. Together these circles create an infinity loop or Möbius strip, underscoring the fact that a customer’s lifecycle with a brand continues through these two journeys on an ongoing basis.

Each of these cycles is further broken down into four phases, forming eight connected stages of a customer’s interaction, depending on whether he is in the buying or purchase mode or owns the service or product and is in the support mode. Oracle’s Cross-Channel Customer Experience (C3E) offering looks to provide a consistent experience for customers as they move through these eight phases and interact with any of the service provider’s channels.

Oracle’s C3E is built around enabling a comprehensive set of capabilities and empowering customers to choose how they want to engage with their service provider. These capabilities are built around providing a personalized experience for subscribers based on their personal preferences, interaction pattern and existing services and products. Channels could include social media, website, mobile device, kiosk, call center and traditional retail store. The C3E solution also provides a framework to introduce more channels in the future.

Oracle’s C3E offering is built around three key tenets:

- Seamless handoff of interactions
- Consistent business rules across channels
- Complete brand management
The solution begins with service providers being able to present a consistent brand messaging in any of the channels. This allows service providers to run campaigns consistently across the various outbound and inbound channels, and combine marketing and care with the social networks. Customers are empowered by selecting their channels of choice for buying or service interactions. Finally, the solution also exposes a consistent set of business rules, which get consumed at the various interaction points. This truly puts the power back in the customer's hands.

As part of this solution, Oracle provides a flexible set of capabilities for self-service. Deployment options that are often done in combination include self-service, self-assisted service, proactive chat, intent-based knowledge management and e-billing. The combination of opex pressures for service providers with customers' desire to be more empowered, and to search, select, buy and eventually manage and maintain their service on any of the digital channels, allows for a completely differentiated experience.

Oracle has a comprehensive set of capabilities that empower retail, online, social and call-center channels. With the acquisition of ATG and Endeca, Oracle enables the online and digital channel across mobile, Web, device and even kiosks. The ATG and Endeca joint offering (now Oracle Commerce) provides extensive capabilities in personalization and merchandising, enabling customers to have their online interaction be guided, fully personalized and applicable to their objectives.

Oracle's social network capabilities enable service providers to manage their brand on social channels and proactively engage with customers through social listening and monitoring capabilities. Oracle empowers these channels through a compre-
hensive and complete knowledge management and multi-channel recommendation platform that allows for the same recommendations being exposed online, retail or on social media and also at the call-center interface. The centralized mastering of the business rules for order capture and eligibility within a central channel coordination engine allows service providers to launch capabilities such as “buy online, pick up at store,” which is seeing increased demand in the more mature geographies.

Oracle's approach is mature and comprehensive, and it provides major benefits to service providers. It allows service providers to truly enable their cross-channel buying and service experience. The ability to leverage online, mobile and digital channels to allow customers to be always connected and have a truly personalized experience – while at the same time leveraging a comprehensive and multi-channel knowledge management and recommendation engine – uniquely positions Oracle’s C3E offering as an important consideration for service providers.
Conclusions

Today, cross-channel customer experience is incomplete, fragmented and not personalized. The Holy Grail of a unified cross-channel customer experience relies on the combination of customers' transactional history across channels with their online and social behavior. In order for cross-channel strategy to deliver on a unified customer experience, a number of key business processes such as pricing, promotion, order management, service management, inventory management, etc., need to be unified.

Telcos interested in managing the customer experience more effectively need to collect as much customer experience-related data as possible across channels, unify that data and use advanced analytics effectively to create a personalized engagement model. Telcos must also be able to analyze this information to understand the customer experience and especially to detect unexpected and unpredictable events that might pose either a threat or an opportunity to enhance or enrich the customer experience.

Telcos today understand that a fragmented channel strategy negatively impacts their brand image and reduces NPS. Customers today are influenced by Apple's model, and they expect a similar retail experience to what they are used to receiving from Apple. We see service providers paying more attention to their channel strategy in order to provide customers with a superior experience.

Delivering a superior, customer-centric, cross-channel experience will result in financial gain for service providers in the form of reduced churn, enhanced brand image and increased subscriptions, while providing non-quantifiable benefits such as improved NPS, increased customer satisfaction and fewer calls to call centers.